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Appendix I.

[Vide answer to starred question No. 122 asked by Sri T. Purushotham at the meeting of the Legislative Council held on 22nd December 1956, page 217 supra.]

The Government of India have formulated the following two schemes during the First Five-Year Plan period for sanctioning financial assistance :—

(1) Low Income Group Housing Scheme (for persons whose incomes do not exceed Rs. 6,000 per annum).

(2) Subsidized Industrial Housing Scheme (for industrial workers whose incomes do not exceed Rs.350 per annum).

(1) *Low Income Group Housing Scheme.*—This scheme was formulated in November 1954. No allotments were made up to 1954–55. For 1955–56, a sum of Rs. 81 lakhs was allotted in December 1955.

The following are the important conditions for the utilization of the loans :—

The loans will be utilized for the disbursement of loans to persons whose income do not exceed Rs. 6,000 per annum. The disbursement will be related to the actual progress made in the implementation of the scheme. Generally, 20 per cent of the loan could be advanced when the parties concerned are possessed of the land and can undertake construction immediately ; 50 per cent of it when construction reaches the plinth level and the remainder when the constuction reaches the roof level. This restriction is not applied to loans sanctioned to local bodies.

The amount allocated for distribution to the following agencies, the actual amount spent by these agencies in the First Plan period, the balance left unspent and lapsed are shown below :—

	Allocation. (1) LAKHS.	*Actual expenditure.* (2) LAKHS.	*Amount lapsed.* (3) LAKHS.
1 Co-operative Housing Societies for construction of houses.	20	7·21	12·79
2 City Improvement Trust—			
(i) For construction of houses	30	12	18
(ii) For acquisition and development of land ..	3·24	3·24	Nil.
3 Local bodies—			
To the municipalities—			
(i) For the construction of the houses	12·76	13·41	..
(ii) For acquisition and development of house-sites.	5·00	..	5·00
4 To the Corporation of Madras for house construction.	..	5·00	..
5 Dr. Alagappa Chettiar College and Educational Trust for construction of houses.	10·00	..	10·00

Reasons for lapse.—The allocation could not be availed of in full, because the allocation was made late in the year, i.e., in Dec mber 19 5 and the loans were sanctioned subsequently after observing the prescribed formalities such as taking agreements from co-operative societies, etc. Only 20 per cent of the loan can be disbursed to co-operative societies initially pending progress in the construction of houses.

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In the case of Dr. Alagappa Chettiar Educational Trust no amount could be disbursed before 31st March 1956, as they did not invest 20 per cent of the cost of the houses as required by the rules and did not also execute the necessary agreement in time.

(2) *Subsidized Industrial Housing Scheme.*—The Government of India formulated the scheme in 1952. Loans and subsidies under the scheme are Sanctioned by the Government of India direct to the industrial concerns.

Applications from the following employers for assistance under the scheme have been sanctioned during the period of the First Five-Year Plan as shown below :—

		Subsidy.	*Loans.*
		RS.	RS.
1	Dalmia Cement (Bharat), Limited, Dalmiapuram	54,648	81,972
2	Sri Meenakshi Mills, Limited, Madurai	97,200	1,45,800
3	Do.	10,800	23,100
4	The Vasantha Mills, Limited, Singanallur	19,704	29,556
5	Do.	2,78,400	42,240
6	The Janakiram Mills, Limited, Rajapalayam	17,137	25,706
7	The Thiakesar Alai, Manaparai	28,462	42,693
8	Sri Ramakrishna Mission Vidyalaya, Coimbatore	16,200	24,300
9	Sri Balasubramania Mills, Limited, Singanallur	13,560	20,340
10	The Lakshmi Mills Company, Limited, Kovilpatti, Tirunelveli.	1,13,000	1,69,500
11	Lakshmi Mills Company, Limited, Pappanaickenpalayam, Coimbatore.	1,67,835	2,51,752
12	The Salem Magnesite, Limited, Salem	29,787	44,681
13	Manipal Textiles, Manipal, Udipi	15,780	23,670
14	Heavy Chemicals, Limited, Madras	26,220	39,330
15	Pioneer Mills, Limited, Peelamedu, Coimbatore	1,14,220	1,71,330
16	East India Distilleries and Sugar Factories, Nellikuppam ..	21,710	32,565

The sanction orders in respect of items 9 to 12 above have been cancelled by the Government of India, as the companies could not satisfy the conditions of the scheme.

Actual disbursements are related to the progress of construction. Therefore, no information is available as to the exact amount allocated by the Government of India for this scheme in their budget and the actual amounts disbursed by them to the employers as loan and subsidy.

In February 1955, this Government sanctioned a scheme for the construction of 936 tenements in Sembium and Erukkanchari near Madras at a cost of Rs. 24,92,840. The first instalment of the loan, viz., Rs. 4,15,470 was sanctioned by the Government of India and credited to this Government's account on 31st March 1955 and the second instalment of Rs. 5,49,000 was credited to this Government's account on 6th April 1956. There are no special conditions for the utilization of the loan apart from the general conditions of the scheme.